

1 **CONSUMER TICKET PROTECTION AMENDMENTS**

2 2019 GENERAL SESSION

3 STATE OF UTAH

4 **Chief Sponsor: Deidre M. Henderson**

5 House Sponsor: Mike Schultz

7 **LONG TITLE**

8 **General Description:**

9 This bill enacts provisions related to consumer protection and event tickets.

10 **Highlighted Provisions:**

11 This bill:

- 12 ▶ enacts the Ticket Sales Act;
- 13 ▶ defines terms;
- 14 ▶ requires a person who issues a ticket to an event to issue the ticket using a delivery
- 15 method that enables the purchaser to lawfully resell the ticket independent of the
- 16 person who issued the ticket;
- 17 ▶ allows a person to issue a restricted ticket, under certain circumstances;
- 18 ▶ provides that a person who issues a restricted ticket shall give the purchaser a
- 19 conspicuous written disclosure stating that the ticket is nontransferrable;
- 20 ▶ prohibits a person from treating an individual differently because the individual
- 21 resold a ticket to an event or purchased a resold ticket to an event;
- 22 ▶ addresses required reporting to the Division of Consumer Protection; and
- 23 ▶ addresses enforcement of the Ticket Sales Act.

24 **Money Appropriated in this Bill:**

25 None

26 **Other Special Clauses:**

27 This bill provides a special effective date.

28 **Utah Code Sections Affected:**

29 AMENDS:

30 **13-2-1**, as last amended by Laws of Utah 2018, Chapters 252 and 290

31 ENACTS:

32 **13-54-101**, Utah Code Annotated 1953

33 **13-54-102**, Utah Code Annotated 1953

34 **13-54-103**, Utah Code Annotated 1953

35 **13-54-201**, Utah Code Annotated 1953

36 **13-54-301**, Utah Code Annotated 1953

37 **13-54-302**, Utah Code Annotated 1953

38

39 *Be it enacted by the Legislature of the state of Utah:*

40 Section 1. Section **13-2-1** is amended to read:

41 **13-2-1. Consumer protection division established -- Functions.**

42 (1) There is established within the Department of Commerce the Division of Consumer
43 Protection.

44 (2) The division shall administer and enforce the following:

45 (a) Chapter 5, Unfair Practices Act;

46 (b) Chapter 10a, Music Licensing Practices Act;

47 (c) Chapter 11, Utah Consumer Sales Practices Act;

48 (d) Chapter 15, Business Opportunity Disclosure Act;

49 (e) Chapter 20, New Motor Vehicle Warranties Act;

50 (f) Chapter 21, Credit Services Organizations Act;

51 (g) Chapter 22, Charitable Solicitations Act;

52 (h) Chapter 23, Health Spa Services Protection Act;

53 (i) Chapter 25a, Telephone and Facsimile Solicitation Act;

54 (j) Chapter 26, Telephone Fraud Prevention Act;

55 (k) Chapter 28, Prize Notices Regulation Act;

56 (l) Chapter 32a, Pawnshop and Secondhand Merchandise Transaction Information Act;

57 (m) Chapter 34, Utah Postsecondary Proprietary School Act;

- 58 (n) Chapter 34a, Utah Postsecondary School State Authorization Act;
- 59 (o) Chapter 39, Child Protection Registry;
- 60 (p) Chapter 41, Price Controls During Emergencies Act;
- 61 (q) Chapter 42, Uniform Debt-Management Services Act;
- 62 (r) Chapter 49, Immigration Consultants Registration Act;
- 63 (s) Chapter 51, Transportation Network Company Registration Act;
- 64 (t) Chapter 52, Residential Solar Energy Disclosure Act; [~~and~~]
- 65 (u) Chapter 53, Residential, Vocational and Life Skills Program Act[-]; and
- 66 (v) Chapter 54, Ticket Sales Act.

67 Section 2. Section **13-54-101** is enacted to read:

68 **CHAPTER 54. TICKET SALES ACT**

69 **Part 1. General Provisions**

70 **13-54-101. Title.**

71 This chapter is known as the "Ticket Sales Act."

72 Section 3. Section **13-54-102** is enacted to read:

73 **13-54-102. Definitions.**

74 As used in this section:

75 (1) "Division" means the Division of Consumer Protection in the Department of
76 Commerce.

77 (2) "Event" means a single, specific occurrence of one of the following, that takes place
78 at a venue:

79 (a) a concert;

80 (b) a game;

81 (c) a performance;

82 (d) a show; or

83 (e) an occasion similar to the occasions described in Subsections (2)(a) through (d).

84 (3) "Exempt entity" means:

85 (a) a Division I college postseason basketball tournament;

86 (b) a nonprofit organization that:

87 (i) is exempt from federal income taxation under Section 501(c)(3), Internal Revenue
88 Code;

89 (ii) is domiciled in the state; and

90 (iii) produces an annual international film festival in the state; or

91 (c) a public or private postsecondary institution that is located in the state.

92 (4) "Restricted ticket" means a ticket to an event that is subject to a restriction that
93 prohibits the purchaser from reselling or otherwise transferring the ticket by any lawful
94 method.

95 (5) "Transferrable ticket" means a ticket to an event that a person issues using a
96 delivery method that enables the purchaser to lawfully resell the ticket independent of the
97 person who issued the ticket or the person's agent or operator.

98 (6) (a) "Venue" means real property located in the state where one or more persons
99 host a concert, game, performance, show, or similar occasion.

100 (b) "Venue" includes an arena, a stadium, a theater, a concert hall, an amphitheater, a
101 fairground, a club, a convention center, a public assembly facility, or a mass gathering location.

102 (7) "Venue operator" means a person who operates a venue.

103 Section 4. Section **13-54-103** is enacted to read:

104 **13-54-103. Scope.**

105 (1) This chapter does not apply to an event or venue of an exempt entity.

106 (2) Nothing in this chapter prohibits a venue operator from maintaining and enforcing
107 one or more policies regarding conduct or behavior at or in connection with the venue.

108 Section 5. Section **13-54-201** is enacted to read:

109 **Part 2. Ticket Resale Restrictions**

110 **13-54-201. Limitations on ticket resale restrictions -- Disclosures.**

111 (1) Except as provided in Subsection (2), each ticket issued for an event shall be a
112 transferrable ticket.

113 (2) (a) (i) Up to 10% of the total number of tickets issued for an event may be restricted

114 tickets.

115 (ii) The total number of tickets described in Subsection (2)(a)(i):

116 (A) includes each ticket that provides access to the event, regardless of whether the
117 ticket is made available for sale; and

118 (B) does not include a ticket that is part of a youth basketball program associated with
119 a professional sports team where tickets are donated or issued at a reduced rate.

120 (b) Notwithstanding Subsection (2)(a), each calendar year, an unlimited number of
121 restricted tickets may be issued for up to 10% of the total concert and theater events held at the
122 same venue during the calendar year.

123 (3) A person who issues a restricted ticket shall provide the purchaser a clear and
124 conspicuous written notice that states the ticket may not be resold or transferred.

125 (4) A person may not discriminate against an individual or deny an individual
126 admission to an event solely because the individual:

127 (a) resold a ticket to the event independent of the person who issued the ticket or the
128 person's agent or operator; or

129 (b) purchased a resold ticket to the event independent of the person who issued the
130 ticket or the person's agent or operator.

131 Section 6. Section **13-54-301** is enacted to read:

Part 3. Enforcement and Reporting

13-54-301. Enforcement powers -- Penalty.

134 (1) The division may enforce the provisions of this chapter in accordance with Chapter
135 2, Division of Consumer Protection.

136 (2) A person who violates a provision of this chapter is subject to a fine of up to \$250
137 per violation.

138 Section 7. Section **13-54-302** is enacted to read:

13-54-302. Reporting.

139 (1) As used in this section, "reporting period" means:

140 (a) for a report submitted under this section in compliance with a July 15 deadline,

142 January 1 through June 30 of the calendar year in which the report is submitted; or

143 (b) for a report submitted under this section in compliance with a January 15 deadline,
144 July 1 through December 31 of the calendar year immediately preceding the calendar year in
145 which the report is submitted.

146 (2) On or before July 15, 2020, and July 15 of each year thereafter, a venue operator
147 shall submit a report described in Subsection (4) to the division, if there was an event
148 scheduled at the venue during the reporting period for which a person issued one or more
149 restricted tickets.

150 (3) On or before January 15, 2021, and January 15 of each year thereafter, a venue
151 operator shall submit a report described in Subsection (4) to the division, if there was an event
152 scheduled at the venue during the reporting period for which a person issued one or more
153 restricted tickets.

154 (4) A report submitted in accordance with this section shall contain the following
155 information:

156 (a) for each event scheduled at the venue during the reporting period and for which a
157 person issued a restricted ticket:

- 158 (i) the total number of tickets issued for the event;
- 159 (ii) the number of restricted tickets issued for the event;
- 160 (iii) the date of the event; and
- 161 (iv) the type of event;

162 (b) (i) for a report submitted in compliance with a July 15 deadline, the number of
163 concert or theater events scheduled at the venue during the reporting period; or

164 (ii) for a report submitted in compliance with a January 15 deadline, the number of
165 concert or theater events scheduled at the venue during the preceding calendar year; and

166 (c) the number of concert or theater events scheduled at the venue during the reporting
167 period for which a person issued a restricted ticket under Subsection [13-54-201\(2\)\(b\)](#).

168 **Section 8. Effective date.**

169 This bill takes effect on January 1, 2020.

